

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

STARRED QUESTION NO:161
ANSWERED ON:03.08.2000
INVESTIGATION INTO IMPORT OF AMMUNITIONS
HANNAN MOLLAH;PRABHUNATH SINGH

Will the Minister of DEFENCE be pleased to state:

(a) whether the Government have conducted any investigation to fix responsibilities for not carrying out inspection of imported ammunition for army's use by the Controller of Quality Assurance of the Defence Department in the Central Ammunition Depot, Pulgaon case;

(b) if so, the outcome thereof; and

(c) if not, the reasons for not instituting an investigation to check occurrence of such incident in future?

Answer

MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) to (c) : A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO. 161 FOR 3.8.2000

A contract dated 6th August 1990 valued at USD 17.25 million was signed with M/s Federal Directorate of Supply and Procurement (FDSP), Yugoslavia for procurement of critically needed ammunition by the Army. Part supplies of ammunition were delivered by FDSP. However due to UN sanctions placing restrictions on supply of arms from Yugoslavia, which came into effect from 30.5.1992, the remaining contracted ammunitions were not delivered by FDSP. The Army was pressing for its requirement of the undelivered ammunitions.

2. A contract dated 21.1.1993 was signed with M/s Pitcare Ltd, Hongkong for the undelivered supply of ammunition contracted with FDSP for an amount of USD 6.12 million. It is presumed that this Question relates to this supply.

3. While part of the ammunition supplied was accepted, Central Ammunition Depot, Pulgaon intimated in September 1993 that the 130 mm Illuminating ammunition was received without technical literature and range tables which delayed the checkproof. The checkproof was conducted by Directorate General of Quality Assurance (DGQA) in August 1995 on receipt of fuse setting key and range tables from the firm. Ten rounds were fired of which three recorded failures. DGQA subjected the consignment to reproof by firing 13 rounds in December 1995 out of which 12 recorded failures. Thus total 15 failures were recorded out of 23 rounds fired. In view of the unsatisfactory performance of the ammunition during checkproof, the consignment was categorized as not fit for use by DGQA in January 1996. Quality claim was raised against the firm in January 1996. Efforts made to recover the amount paid to the firm were not successful.

4. The transaction was considered by the Comptroller and Auditor General (C&AG) in its report No. 7 of 1999 (Defence Services) who inter-alia recommended that the matter should be investigated through an independent agency to fix responsibility. Accordingly, the case was referred to CBI on 20.4.2000 for independent investigation.